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DRAFT
FWG:gmk
9 Aug. 1954

Budget
Fiscal (2)
PAS
Compt.
TAS

MEMORANDUM TO: Chief, Fiscal Division

FROM : Comptroller

SUBJECT : Recordation by Fiscal Division of 1955 Funds
Authorized to Agency

REFERENCE : My memorandum to you dated 2 August 1954
Subject: Same as above.

1. Based on further consideration of the recording of 1955 fiscal year authorizations to the Agency and discussions between your Division, TAS and Budget Division, this memorandum is written for the purpose of both facilitating the detailed accounting operations in the Fiscal Division and providing more effective control over the segregation on Agency records of 1955 funds included in the Agency's deposit fund account with the Department of the Treasury.

2. ^X~~Either~~ The 1955 annual fiscal year funds ^{and} ~~the~~ "no year" funds ^{both} provided for 1955 are available for any expenditures or other disbursements of the Agency. In the reference memorandum a separate account No. 106.5 was designated for establishment on Fiscal Division records for the 1955 annual funds, and it was further indicated that all 1955 expenditures should be made from that account up to the entire amount of such authorization before any expenditures are recorded against the separate account designated for "no year" funds ⁵ (No. 106.x). After further consideration of this matter based upon discussions of the procedures to be followed in the handling of advances, reimbursements and refunds, it has been concluded that ^{only} one cash account (No. 106.5) should be maintained for all funds which are available for disbursement,

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except that a separate cash ^{reserve} account (No. 106.x) will be maintained for reserved cash available for subsequent transfer to the ^{106.5} disburse~~ment~~ ^{ing} account. The amount of such cash reserves will be based upon the total reserve for contingencies at the beginning of each fiscal year but transfers from this account (No. 106.x) to the disburse^{ing} account (No. 106.5) will be made ^{only} when additional funds are required in the disburse^{ing} account upon the specific authority of the Comptroller ^{the Deputy Comptroller} or the Chief, Budget Division.

3. Under the foregoing arrangement whereby a single cash ^{disbursing} account (No. 106.5) will include all funds available for disbursement, the Fiscal Division will process all ~~cash~~ disbursements against this account. Also, all refunds and reimbursements applicable to the 1955 fiscal year funds will be ^{debited} ~~processed as additions~~ to this account, ^{which will increase the available cash disbursing funds} Inasmuch as the Agency has authority to identify any 1955 expenditures against either the annual authorization or the "no year" authorization, separate cash accounts for these two categories of funds are not needed since the first [REDACTED] 25X1A1A of expenditures can be considered as applying against the annual authorization with the result that any balance remaining after expenditures of that amount have been made may properly be considered to represent "no year" funds. If two separate cash accounts were maintained for the annual and the "no year" funds, the Agency could accomplish the purpose of effecting the ~~distribution~~ disbursement of all 1955 annual funds before disbursing any "no year" funds available in 1955; however, as an accounting convenience the same result can be accomplished with considerable simplification in procedures by the use of a single disbursing account as described above.

H Y attached

4. ~~In accordance with the foregoing, adjustments are required in the Fiscal Division records by debiting account No. 106.5 - Disbursing Funds - 1955 in the amount of [REDACTED] debiting new account No. 106.x -~~

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X
~~Disbursing Funds - Reserved in the amount of [REDACTED] and crediting 25X1A1A~~
~~account No. 106.x5 - Disbursing Funds - No Year - 1955 Operations (the~~
~~latter account will be discontinued) in the amount of [REDACTED] All 25X1A1A~~
~~funds withdrawn, during the current fiscal year will be debited to account~~
~~No. 106.5, inasmuch as all funds applicable to account No. 106.x represent~~
~~carry-over amounts from fiscal years 1953 and 1954 and are already available in~~
~~Fiscal Division disbursing accounts.~~

E. R. SAUNDERS

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Substitute the following for your paragraph 4:

4. It is understood that no entries have been made on the General Ledger accounts to record the Fiscal Year 1955 Funds pending receipt of this amendment to my original memorandum of 2 August 1954. Therefore, instead of debiting Account 106.X5,

"Disbursing Funds - No Year - 1955 Operations" with [REDACTED] as advised in paragraph 5 of the above-mentioned memorandum,

25X1A1A

Account 106.5, "Disbursing Funds - 1955" ^{will} ~~should~~ be debited in the

25X1A1A

amount of [REDACTED] and Account 106.X, "Disbursing Funds -

25X1A1A

Reserved" ^{will} ~~should~~ be debited in the amount of [REDACTED] It has

also been determined that it will not be necessary to set up a

25X1A1D

[REDACTED]

E. R. SAUNDERS

*the contra credits
for the foregoing
debts will be
account Nov. 106.3
and 106.4 respectively
in the [REDACTED]*

25X1A1A

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